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Arizona Corporation Commission 1200 W. Washington St. Phoenix, AZ 85007 RECEIVED

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Arizona Corporation Commission

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RE: Docket Number RE-00000C-09-0427

Dear Chairperson Mayes and Members of the Arizona Corporation Commission:

We, the undersigned, appreciate the Arizona Corporation Commission's development of rules for an Energy Efficiency Standard and encourage the Commission to move forward with a meaningful Standard that significantly increases energy efficiency in our state.

As you know, energy efficiency offers an immediate, proven and important step consumers and businesses can take to save money, create jobs, stimulate the local economy and reduce the overall energy cost of electric energy services. Energy efficiency costs less than other resources, reduces peak loads, and helps alleviate the need for some new transmission and distribution investments. In addition, energy efficiency offers significant environmental benefits to air quality and public health as it is the cleanest energy resource. It is also a benefit to Arizona's dwindling water supply as most other energy resources require significant water use.

The Energy Efficiency Standard rule should:

- Require utilities under the Commission's jurisdiction to implement cost effective energy
 efficiency measures resulting in energy savings at least as great as that contemplated by the draft
 rule (22% by 2020). Utilities should be urged to go beyond this requirement to benefit
 residential and business customers.
- 2. If a base or reference year is used (such as 2005), specify the savings percentages in the rule to achieve the equivalent of at least 20% energy savings as a percent of retail sales in 2020 from energy efficiency, with a credit of up to 2% for demand response.
- 3. Authorize a performance incentive, the details of which should be determined in the Commission's reviews of energy efficiency implementation plans or in rate cases considering circumstances and experience as they change over time.
- Ensure energy efficiency programs are ramped up on a yearly basis and are primarily focused on the effects and impacts of energy and utility policies and not primarily on the funding or spending levels.
- 5. Ensure a transparent process which includes opportunities for broad public participation.

By increasing cost-effective energy efficiency program requirements, Arizona will better incorporate the quickest, cheapest and cleanest way for our state to meet its growing needs into its energy portfolio.

We very much appreciate the leadership and commitment of the Commission to promote a significant, yet achievable energy efficiency standard for Arizona. Thank you.

Sincerely,

/s/

Diane Brown

Executive Director

Arizona PIRG Education Fund

/s/

Tina Beattie

Arizona Coordinator and National Director Republicans for Environmental Protection

/s/

Leslie Kyman Cooper

Executive Director

Arizona Consumers Council

/s/

John Neville

President

Sustainable Arizona

/s/

Teresa Brice

Program Director

LISC Phoenix

/s/

Laura E. Sanchez

Attorney, Air & Energy Program

Natural Resources Defense Council (NRDC)

/s/

Elouise Brown

President

Dooda (NO) Desert Rock Committee

/s/

Al Sterman

Democratic Processes Center

Sandy Bahr Chapter Director

Sierra Club - Grand Canyon Chapter

/s/

Linda Brown

Executive Director

Arizona Advocacy Network

/s/

Roger Clark

Air and Energy Director

Grand Canyon Trust

/s/

Hunter Lovins

President

Natural Capitalism, Inc.

/s/

Doug Bland

Arizona Interfaith Power and Light

Earth Care Commission,

Arizona Ecumenical Council

/s/

Steve Brittle

Director

Don't Waste Arizona

 $/_{S}/$

Bret Fanshaw

Environmental Associate

Environment Arizona

/s/

Tom Kociemba

High Performance Building Team